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INTELLIGENCE STRUCTURE AND MISSION

DCI RESPONSE TO PART 2 OF PRM-11

When one addresses the question of the most effective organizational arrangements for meeting the nation's intelligence needs, it is important to underscore that good intelligence is a prime requirement at every level of Government concerned with national security from the President and members of the National Security Council to the military field commanders.

At the national level, the purpose of the U.S. Intelligence Community is to produce high quality, relevant, and objective intelligence for the President, the NSC, and, increasingly, for the Congress. These national needs range from information and analysis supporting the formulation of major policy decisions to providing strategic and tactical warning. Such intelligence is derived from the most technologically advanced technical collection systems as well as from the most traditional forms of espionage.

Intelligence must also serve the particular needs of the Department of Defense and the military services. At one level intelligence is used in making decisions as to what weapons

SECRET

SECRET

system to develop as well as in force structure planning. At another level, intelligence provides essential information for crisis response and support for the conduct of military operations including the time-urgent data on military force movement and activity. The means and manner of collecting, processing, and producing such intelligence are as diverse as are the needs.

At issue is what organizational arrangements will most effectively serve the wide variety of intelligence needs of national, departmental, and tactical users.

The National Security Act of 1947 and the National Security Council Intelligence Directives of the late 1940s and 1950s established the basic division of responsibilities with respect to intelligence activities among agencies and departments. These divisions had their origins in the traditional distinction between military and non-military intelligence. The CIA was directed to produce "national" intelligence while the military services were asked to continue to collect and produce "military" intelligence for use both in war and peacetime.

In charging the Director of Central Intelligence, as head of CIA, with "coordinating" the intelligence activities of the several Government departments, the National Security Act of 1947 sought to prevent a repeat of the intelligence confusion and delays that occurred prior to Pearl Harbor. The problem

SECRET

SECRET

addressed under the act was how to collect, collate, and process intelligence reports and estimates that would best serve the national leadership--the President and the NSC.

It is clear that the national security "language" of the 1940s and 1950s does not serve the needs of a modern and technologically complex Intelligence Community. The old distinctions between "military" and "non-military," and "tactical" and "national" have blurred.

Two separate aspects of the problems have markedly risen in importance since 1947: the efficient management of the resources allocated for intelligence collection and analysis; and the optimal targeting of intelligence collection assets.

The resource allocation role of the DCI is complicated by the fact that the resources applied to signals intelligence and to satellite reconnaissance systems within the Department of Defense represent more than half of the National Foreign Intelligence Program budget. In contrast, the portion of the NFIP budget that is appropriated to the Director of Central Intelligence (in his capacity as Director of the CIA) is only about 20 percent. This has created problems for the DCI in his exercise of leadership of the Intelligence Community, and puts the Directors of NSA and the national reconnaissance effort in the position of serving two masters--the Secretary

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of Defense and the DCI. At the same time, the existence of intelligence collectors with potentially overlapping capabilities, and the high costs of technical collection systems, makes it increasingly important that there exist arrangements to consider tradeoffs between the different systems.

The management of intelligence activities throughout the Intelligence Community actually involves three types of tasking.

First, is "mission" tasking, which is the "what to do" tasking of collection and production organizations. This type tasking is now done for the DCI in the collection field through his development of requirements and priorities, and his levying them on collectors, primarily through the mechanisms of the DCI COMIREX and SIGINT Committees. In the production of national intelligence, mission tasking is controlled by the DCI through his NIOs and his operational management of the CIA. E.S.

Second, there is "operational" tasking, which is the "how to do it" response to mission tasking. Operational tasking is the responsibility of the operating head of each organization of the Intelligence Community. The DCI operationally tasks only the CIA. Operational tasking of Defense elements of the Intelligence Community is handled within the Defense Department.

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The third type is "program and budget tasking" which is tasking directly related to "what should we do in the future?" It is in this area of tasking that current DCI responsibilities and authorities do not match, and in which there is the potential for differences with departmental secretaries who look upon program and budget tasking for intelligence activities as a part of their overall responsibilities to task elements of the department to do whatever is needed to develop programs and budgets. Executive Order 11905 charges the DCI to "ensure the development and submission of a budget for the National Foreign Intelligence Program," but his authority for program and budget tasking is subject to departmental challenge. R.S.

The tasking of collector organizations is complicated because increasingly, intelligence data-collection systems have grown capable of serving both the broad interests of the policymakers and defense planners and the more specific technical interests of weapons developers and field commanders. Signals intelligence provides both economic and military communications intelligence. Spies are asked to collect information on Soviet weapon technology, political intentions, grain harvests, etc. Satellites produce pictures which are critical both to the SALT policymaker and the Army Commander on the East German border.

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There are issues of how to provide the tactical commander in the field not only the appropriate product of "national" intelligence collection assets, but how to permit that commander to task those assets directly to his needs; and there are issues in the opposite direction, mainly involving ensuring that the appropriate product of "tactical" intelligence collection is made available to national policymakers.

One key question, then, is what degree of centralization of control in the Intelligence Community will best provide resource rationalization and insurance against duplication and waste. Another question is how to task the multiplicity of collection systems in ways that will be fully responsive to the needs of all consumers. For example, any gains in efficiency of tasking at the national level cannot be at the expense of the Secretary of Defense's requirements for immediately responsive intelligence assets in crisis and in wartime.

Alternative forms of resource management and operational tasking control deserve to be considered.

SECRET

Resource Management Techniques

Resource decisions on collection and analysis systems and organizations could be made on a collegial basis in a negotiating forum which deals with resource management matters. The Director of Central Intelligence or the Secretary of Defense could be the Chairman, but neither would have final decision authority. Differences would be referred to the National Security Council or the President for decision.

The same negotiating forum, could be used with the DCI having decision authority, subject only to appeal by other members to the NSC or the President.

The Secretary of Defense could have the decision authority.

Day-to-Day Operational Control and Mission Tasking Techniques

The direct mission tasking of intelligence collection systems could be left to committee decision with actual command authority left uncertain, and subject to negotiation.

The President could designate the DCI or the Secretary of Defense as the tasking authority for a particular type of system under specific circumstances, depending primarily on the balance of importance between national and military requirements.

SECRET

SECRET

These variations in authority over resource allocation and operational tasking can be combined into the following basic management techniques:

<u>Tasking Management</u>	<u>Collegial Tasking</u>	<u>Presidential Designee Tasking</u>
Collegial Management	A	B
DCI Control	C	D
Sec. Defense Control	E	F

Option A is about today's arrangements. No changes would be necessary to E.O. 11905.

Option B is today's resource management procedures with more specific mission and operational tasking procedures. E.O. 11905 would have to be modified to provide specific guidelines for tasking each generic category of "national" and "tactical" intelligence collection.

Option C is a strengthened DCI role in resource management with today's mission and operational tasking. E.O. 11905 would have to be modified to provide DCI full resource control over present DDO assets.

Option D is a strengthened DCI role in resource management with more specific mission and operational tasking procedures. Changes in E.O. 11905 as in B and C above.

SECRET

Option E is Secretary of Defense in control of resource management and today's mission and operational tasking. Changes would be necessary in E.O. 11905 to reduce DCI responsibility for resource management.

Option F is Secretary of Defense resource control and more specific mission and operational tasking. Changes in E.O. 11905 as in E and B above.

Possible Organizational Changes to Match the Above Management Techniques

There would seem to be no organizational changes required under A and B.

With C and D, where the DCI would have responsibility for allocating national intelligence resources, the question arises whether a DCI with final authority for all resources should also remain as head of one of the agencies (CIA) competing for these resources.

If the answer is "no," then the question must be addressed as to whether the DCI as principal intelligence advisor to the President can perform that function effectively without direct control of some intelligence analysis and estimating resources. And if he must have such resources, what are the alternatives: The NIO organization only, the NIO and all of the DDI, the NIO and part of the DDI?

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With C and D, there is also the issue of whether resource rationalization and efficient management would be possible if the DCI had responsibility for resource allocation while the Secretary of Defense continued to manage intelligence activities? This would require considering transfer of the principal DoD collection assets (the NSA, and the Air Force and Navy special reconnaissance programs) to the DCI. Finally under C and D, there is also the question as to whether procedures could be devised to provide continuing availability of intelligence resources of the right type to meet the needs of military commanders during a time of crisis or war? This would require some explicit provisions for collegial control of major resource decisions on procurement or discontinuance.

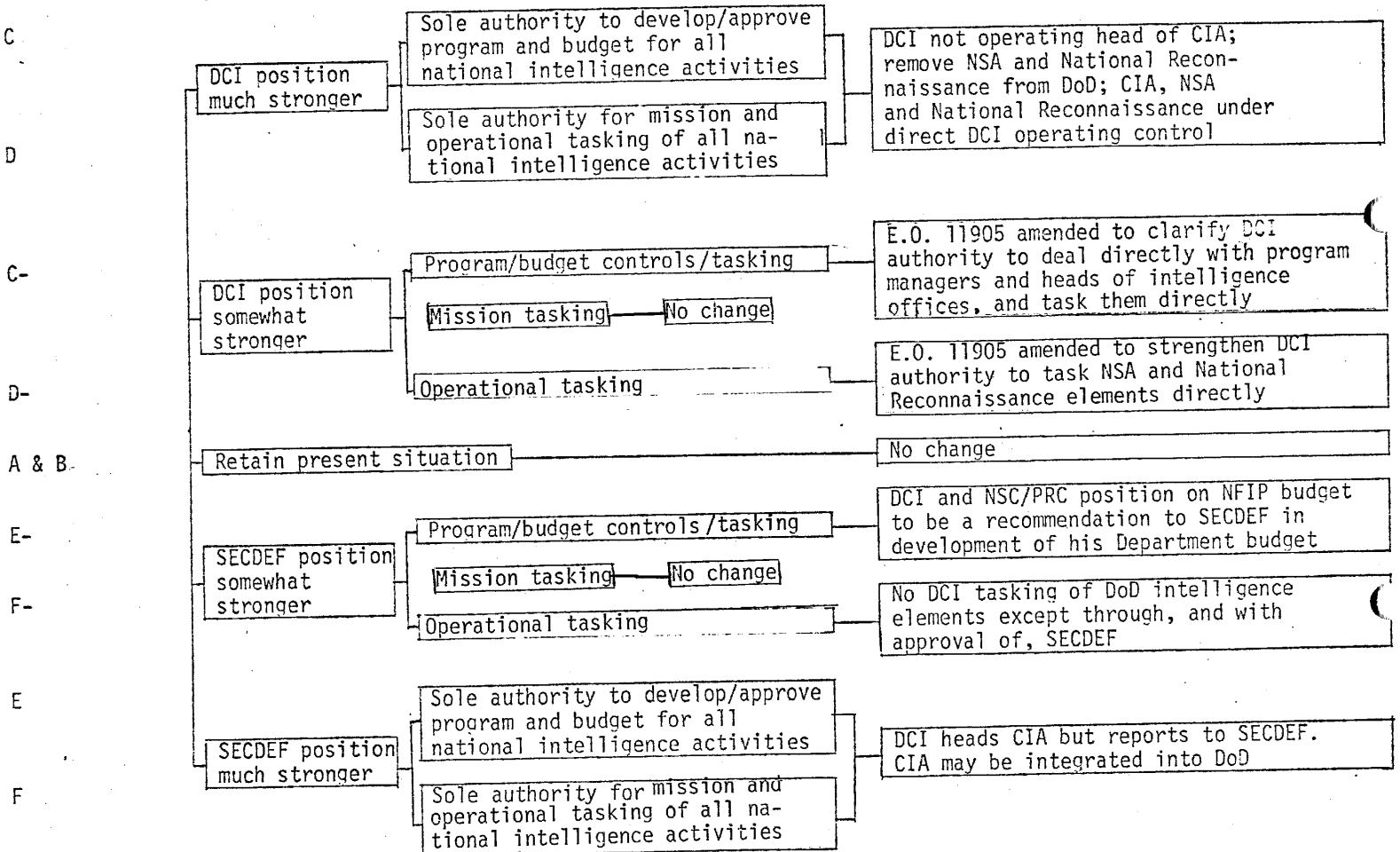
In E and F the question would arise as to possible conflicts between the DCI's role and that of the Secretary of Defense in resource management. Could the DCI be subordinated to the Secretary of Defense for resource management purposes, but left with a direct access to the President for purposes of advising on matters of intelligence substance?

There are, of course, variations on these techniques, especially as to degree of control. That is, a move to give either the DCI or the Secretary of Defense stronger control of resource management need not be total, but only more definitive than at present. The attached chart summarizes these various techniques with gradations in between.

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TECHNIQUES FOR MANAGING AND TASKING NATIONAL INTELLIGENCE ACTIVITIES



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NOTE FOR THE DIRECTOR

The attached draft "Intelligence Structure and Mission" paper is a partial re-do of the proposed Part 2 response to PRM-11 you provided me on 8 April.

The bottom paragraph on page 3 is a proposed replacement for the next to last paragraph 3 of your draft. The material on page 4 and the first paragraph of page 5 has been added to address the "tasking" problem. The table at the last page has been revised to fit the discussion of tasking on pages 4 and 5. The only other changes to your draft were of a minor editorial nature.

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Admiral, USN
D/DCI/IC

Attachment:
as stated

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